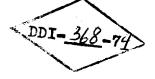
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## OFFICE OF THE SECRETARY OF DEFENSE WASHINGTON, D.C. 20301

1 February 1974



MEMORANDUM FOR: DIRECTOR, CENTRAL INTELLIGENCE

SUBJECT:

Bayesian Methodologies in Analysis

Recently I received from \_\_\_\_\_\_\_\_ a test product, The Likelihood of a Major North Vietnamese Military Offensive: A Bayesian Analysis Report. This is an interesting and very encouraging step towards the use of new methods of analysis and in particular the communication of probability judgments directly to consumers. It coincides with an effort I have asked DIA to initiate in response to guidance I received from Jim Schlesinger. He has asked for an experimental product employing substantially the same methodology. I coincidentally chose the same question. I intend to provide him both DIA's and CIA's outputs for his reaction to this sort of product and to see which of the two formats he finds easier to read.

Please pass my compliments to Ed Proctor, and those in OPR who are engaged in this effort.

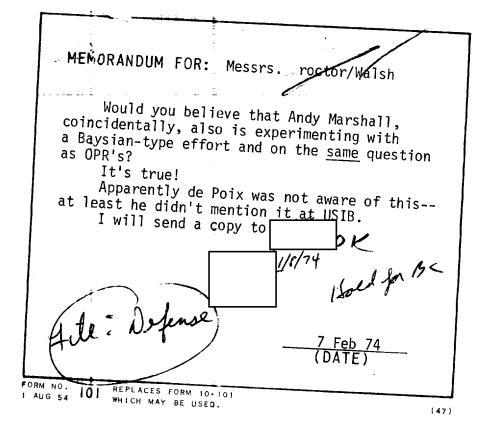
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ANDREW W. MARSHALL

Director, Net Assessment

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